

☒ R/W MANUAL CHANGE
(1993 Edition)

RWMC- 132

☐ PROCEDURAL HANDBOOK
(1984 Edition)

RWPH-____-____-____
TRANSMITTAL#____

TITLE:
ACQUISITION

APPROVED BY:

DATE ISSUED:

DEC 22 2003

VERNON V. RHINEHART

Page 1 of 1

SUBJECT AREA:

CHAPTER 8 - ACQUISITION

ISSUING UNIT:

OFFICE OF RIGHT OF WAY PROJECT DELIVERY

SUMMARY OF CHANGES: Revises CEFS Form RW 8-16 and its instructions.

PURPOSE

The purpose of this manual change is to revise CEFS Form RW 8-16 and its instructions to incorporate the following changes:

- The Department will no longer seek Federal participation on the purchase of excess land. However, the Department will continue to seek Federal participation for any and all damages attributed to an acquired excess parcel.
- **ALL** payments to the property owner over \$600, including cost to cure payments, are *reportable*, per requirements in SAM Manual Section 8422.19. Acquisition agents should advise the property owner to contact a tax expert to determine whether specific payments are *taxable*.

PROCEDURES

RW 8-16 FEDERAL PARTICIPATION MEMORANDUM
Updated as stated in "Purpose."

EFFECTIVE DATE

Immediately.

MANUAL IMPACT

- Remove the superseded pages and insert the attached pages in the Manual.
- Record the action on the Revision Record.

REVISION SUMMARY

Chapter

Remove Old Pages

Insert Revised Pages

Remove the following in its entirety:

Replace with the following in its entirety:

8 - Forms

RW 8-16 (REV 7/2003)

RW 8-16 (REV 10/2003)

Federal Project #
FEDERAL PARTICIPATION
 On the project ☐ YES ☐ NO
 On the parcel ☐ YES ☐ NO

TO: 1) R/W Planning & Management

2) R/W Accounting Section

ADA Notice
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Dist Co Rte KP/PM

Parcel EA

Grantor

FROM: R/W ACQUISITION

An agreement has been reached with the owner of the referenced parcel, which creates an encumbrance or obligation of capital funds. Following is a segregation of funds indicating whether they are eligible for Federal reimbursement or reportable to the IRS/FTB.

	FAE 6	Eligible	FAE 7	Ineligible	FAE 8	Suspense	RPI
LAND: Right of Way/Right of Entry	(6050)		(7050)		(8050)		B
Early Acquisition			(7083)		(8083)		B
Excess			(7080)		(8080)		B
Mitigation Site or Credits	(6081)		(7081)		(8081)		B
TEMPORARY EASEMENT(S)	(6050)		(7050)		(8050)		1
Early Acquisition			(7083)		(8083)		1
IMPROVEMENTS: Right of Way	(6050)		(7050)		(8050)		B
Early Acquisition			(7083)		(8083)		B
Excess			(7080)		(8080)		B
PERSONALTY	(6059)		(7059)		(8059)		B
MACHINERY & EQUIPMENT	(6050)		(7050)		(8050)		B
DAMAGES to Remainder(s)							
Cost-to-Cure Damages (Reportable-see instructions)	(6050)		(7050)		(8050)		B
Other Damages (Reportable-see instructions)	(6050)		(7050)		(8050)		B
DAMAGES to Excess Parcel(s)							
Cost-to-Cure Damages	(6050)						N
Other Damages	(6050)						N
GOODWILL	(6050)		(7050)		(8050)		B
INTEREST	(6053)		(7053)		(8053)		A
COURT COSTS	(6130)		(7130)		(8130)		B
RENT	(6050)		(7050)		(8050)		1
OTHER:	(6050)		(7050)		(8050)		
SUBTOTALS TO GRANTOR	\$		\$		\$		
TOTAL TO GRANTOR	\$						
TOTAL TO DAMAGES to Excess Parcel(s)	\$						

INFORMATION MUST BE PROVIDED FOR ACCOUNTING TO PROCESS THIS TRANSACTION:

Current Balance

A) CONDEMN DEPOSIT	<input type="checkbox"/> Yes <input type="checkbox"/> No	Total of Deposits: \$	(090)	\$
B) CONDEMN WITHDRAWAL	<input type="checkbox"/> Yes <input type="checkbox"/> No	CDF -	Amount	\$
C) Withheld Funds	<input type="checkbox"/> Yes <input type="checkbox"/> No		()	\$
D) Excess Exchanged	<input type="checkbox"/> Yes <input type="checkbox"/> No	DD# of Parcel Given:	Mkt value	\$
E) Right of Entry	<input type="checkbox"/> Yes <input type="checkbox"/> No	Date:	Prev. Enc.	\$
F) Settled by:	<input type="checkbox"/> R/W Contract <input type="checkbox"/> Court Order <input type="checkbox"/> Not yet settled		FFY:	

R/W ACQUISITION AGENT:

Sign: Date:

Print: Telephone:

SR. R/W ACQUISITION AGENT APPROVAL:

Sign: Date:

Print: Telephone:

Add a coding line for any amounts in the "DAMAGES to Excess Parcel(s)" section.

RIGHT OF WAY PLANNING AND MANAGEMENT TO COMPLETE UNSHADED FIELDS

TC	SRC DIST	UNIT	CHG DIST	EA	SUB JOB	SPECIAL DESIGNATION	FA	OBJ CODE	AMOUNT	FFY	RPI	REF DOCUMENT	SUF FIX
						1							
						1							
						1							

Vendor No.:

PLANNING & MANAGEMENT APPROVAL:

Sign: Date:

Print: Telephone:

CERTIFICATION OF FUNDS

I hereby certify that budgeted funds are available for the period and purpose of the expenditures shown.

ITEM: CHAP: STAT: FFY: \$: _____

Signature:

Date:

INSTRUCTIONS FOR COMPLETING THE FEDERAL PARTICIPATION MEMORANDUM (RW 8-16)

The RW 8-16 form is completed for settlements or agreements such as Right of Way Contracts, condemnation settlements (executed with a Right of Way Contract) or court judgments (executed with court documents), temporary easements, rental payments, release of contract retention, etc. When properly completed, the form provides essential information to ensure that Federal reimbursement is maximized.

The form is forwarded to Planning and Management (P&M) for coding and funding review prior to sending to R/W Accounting for payment. The **original** is included as part of the Acquisition Claim Schedule Package for payment request. A **copy** is included in the official parcel file maintained in the Region/District.

Right of Way Acquisition identifies R/W costs for Federal Aid eligibility and completes the following fields:

- Federal project number, Federal participation on project and parcel
(Consult R/W Planning and Management for eligibility of Federal participation on both parcel and project or if parcel is being acquired under the Early Acquisition guidelines. Early Acquisition parcels are INELIGIBLE. Advance Acquisitions (e.g. Hardship and Protection parcels) are ELIGIBLE.)
- District, County, Route
- Kilometer Post (KP)/Post Mile (PM), Parcel, Expenditure Authorization (EA)/Subjob
(Formula for KP = 1.6093 X PM) (Formula PM = 0.6214 X KP)
- Grantor Name
- Apply appropriate charges to the FAE columns, subtotals and total.
Eligible/ineligible refers to Federal participation
Reportable/non-reportable refers to IRS tax reporting. Reportable does not mean taxable.

LAND: Right of Way/Right of Entry - Acquisition Cost - enter value of land in R/W as indicated in the appraisal.

Early Acquisition - enter value of land within R/W acquired under early acquisition process.

Excess - pro rata value of land in acquired Excess. (Excess land is not eligible for FHWA participation. While damages to remaining land outside the right of way are eligible, the residual value of remainder property acquired as excess is not eligible.)

Mitigation Site or Credits - enter value of mitigation site or credits.

TEMPORARY EASEMENT(S) - value of the TCE - enter the amount paid to the grantor for use of land associated with (any) temporary easement. This amount is *reportable* to the IRS/FTB as rental income.

Early Acquisition - enter value of the TCE acquired under early acquisition process.

IMPROVEMENTS: Right of Way - enter value of improvements in R/W.

Early Acquisition - enter value of improvements within R/W acquired under early acquisition process.

Excess - enter value of improvements in the Excess. (Excess land is not eligible for FHWA participation. While damages to remaining improvements outside the right of way are eligible, the residual value of remainder property acquired as excess is not eligible.)

PERSONALTY - insert the settlement amount of personal property acquired pursuant to manual section 8.06.05.

MACHINERY & EQUIPMENT - enter value of acquired items pertaining to realty.

INSTRUCTIONS FOR COMPLETING THE FEDERAL PARTICIPATION MEMORANDUM (con't)
(RW 8-16)

Right of Way Acquisition identifies R/W costs for Federal Aid eligibility and completes the following fields: (con't)

NOTE ON REPORTABILITY: Reportable does not mean taxable. Cost-to-cure damages will be reportable if the amount is greater than \$600.00.

DAMAGES to Remainder(s):

Cost-to-Cure Damages - in partial acquisitions, enter the amount of curative damages included in the acquisition price paid to the Grantor. These costs are normally *eligible*.

Other Damages - in partial acquisitions, enter the amount paid to the Grantor for permanent loss in value to the remainder. These damages are normally *eligible*.

DAMAGES to Excess Parcel(s): These calculations are to capture federal participation only. They are not included in payment to Grantor.

Cost-to-Cure Damages - enter the amount of curative damages included in the partial acquisition appraisal, either primary or alternate, that is attributed to the excess parcel(s) acquired as either an uneconomic remnant or excess acquisition.

Other Damages - enter the amount of damages for permanent loss value to the excess parcel(s) included in the partial acquisition appraisal, either primary or alternate, that is attributed to the excess parcel(s) acquired as either an uneconomic remnant or excess acquisition.

GOODWILL - eligible for federal participation.

INTEREST - eligible for Federal participation.

COURT COSTS - eligible for Federal participation.

RENT - rental amounts required to hold property vacant until acquisition is completed. Eligible for participation.

OTHER - are expenses paid to the Grantor such as Notary Fees.

NOTE ON INVERSE CONDEMNATION: Payment for inverse actions are generally ineligible unless individually approved for reimbursement by FHWA.

- **SUBTOTALS TO GRANTOR** - enter amounts for each column. Do not include amounts from the "DAMAGES to Excess Parcel(s)" section.
- **TOTAL TO GRANTOR** - total amounts in FAE 6, 7 & 8 columns and enter. Do not include amounts from the "Damages to Excess Parcel(s)" section.
- **TOTAL TO DAMAGES to Excess Parcel(s)** - total amounts for the two boxes in the "DAMAGES to Excess Parcel(s)" section.
- Complete all Yes and No boxes in Rows A through E and mark appropriate box in Row F. Complete corresponding boxes to the right.
- Acquisition Agent will sign, date, print name and enter telephone number.
- Acquisition Senior will sign, date, print name and enter telephone number.

Right of Way - Planning & Management completes the following fields:

- Unshaded area of coding box.
- Add a coding line for any amounts in the "DAMAGES to Excess Parcel(s)" section.
- Planning and Management will sign the form indicating that the EA and FFY are set up in either EAS/COMS or TRAMS and that funding is available. Also date, print name and telephone number.

Division of Accounting - R/W Accounting completes the following fields:

- Shaded areas of coding box.
 - Accounting will sign and date in Certification of Funds box indicating that the R/W Accounting Liaison has confirmed through EAS/COMS or TRAMS that the EA is masterfiled and that funding is available.
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